

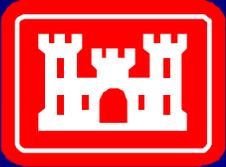
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27 Jun 2006

Civil Works Program Development

The Making of the President's Budget Request

**Bill Augustine
Deputy Chief,
Civil Works Program Integration Division**

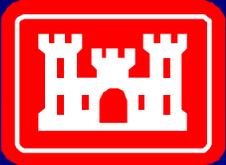


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The Making of the President's Budget Request

27 Jun 2006

- **The Players**
- **The Cycle**
- **The Process**



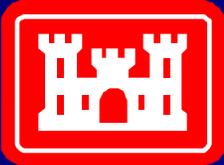
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Civil Works Budget

27 Jun 2006

Supports the President's Overall Budget Priorities

- **Winning the war on terrorism**
- **Securing the Homeland**
- **Continue Long Term Economic
Growth**



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The Making of the President's Budget Request

27 Jun 2006

- **The Players – Executive Branch**
 - Project / Program Managers
 - District Commander
 - Division Commander
 - Business Line Managers
 - Appropriation Managers
 - *Director of Civil Works*
 - *Chief of Engineers*
 - *Assistant Secretary of the Army (Civil Works) (ASA(CW))*
 - Office of Management and Budget (OMB)



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The Making of the President's Budget Request

27 Jun 2006

- **The Business Lines**
 - **Navigation**
 - **Flood & Storm Damage Reduction**
 - **Hydropower**
 - **Recreation**
 - **Regulatory**
 - **Water Supply**
 - **Environmental**
 - **Emergency Management**



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OMB BUDGET GUIDANCE
(Jan)



All Offices Develop
Program Requirements
(Feb - May)



Budget Reviewed &
Presented to SecArmy
(Jun - Aug)

Funding Alloc.
To Field Offices
(Oct - Dec)



Budget Submitted
to OMB (Sep)



OMB Passback
(Nov)

President's Budget
to Congress (Feb)

Cong. Hearings (Mar - Apr)

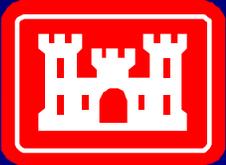


Appropriations Bills
(Jul - Sep)



President Signs
Approp. Bill
(Sep - Oct)



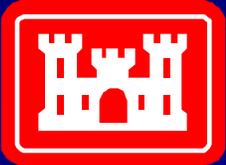


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The Making of the President's Budget Request

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- **The Process**
 - Evolving and iterative
 - From appropriation account ceilings to Performance Based Budgeting
 - Links the President's Budget to program performance
 - Program developed around Business Lines



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The Making of the President's Budget Request

27 Jun 2006

- **The Process (cont)**
 - **Policies and priorities provided by The President (OMB) & ASA(CW)**
 - **HQUSACE provides detailed submittal requirements**
 - **District / Division propose program**
 - **Business Line Managers**
 - **Evaluate against performance metrics**
 - **Rank competing investments in each business program**
 - **Demonstrate improved outcomes from added increments**
 - **Iterative discussion with Division / District**



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Civil Works FY 06 Budget History (\$ Millions)

27 Jun 2006

FISCAL YEAR 2006 FUNDING HISTORY

	Pres.			
	Budget	House	Senate	*Conf
Investigations	95	100	180	162
Construction	1,637	1,900	2,087	2,348
Operations & Maint.	1,979	2,000	2,100	1,969
Regulatory	160	160	150	158
Mississippi R & Tribs.	270	290	433	396
General Expenses	162	152	165	152
Flood & Coast Emerg.	70	0	43	0
FUSRAP	140	140	140	139
Office of ASA (CW)	<u>0</u>	<u>4</u>	<u>0</u>	<u>4</u>
Total Approp.	4,513	4,746	5,298	<u>5,328</u>

* FY06 Conf reflects the 1% across the board DECREASE of 54.0 M that was mandated by a follow-on OMNIBUS bill after the E&W appropriation bill but none of the increases from any Emergency Supplemental Appropriations.



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The Making of the President's Budget Request

27 Jun 2006

- **Performance Measures / Ranking Criteria**
 - **Risk to Human Safety**
 - **Annual Net Benefits**
 - **Benefit Cost Ratio**
 - **Remaining Benefit Remaining Cost**
 - **Value & Quantity of Areas Restored**
 - **Application of Watershed Principles**
 - **Regional Navigation**
 - **Endangered Species Act & compliance needs**
 - **Project availability / Unscheduled closures**



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The Making of the President's Budget Request

27 Jun 2006

- **Priorities**

- **High Risk Dam Safety**

- **High Performing, Completing**

- **Very High Performing**

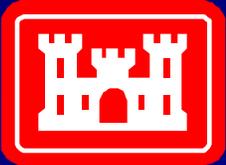
- **Remaining Benefits Remaining Cost Ratio > 4**

- **National Priorities**

- **High Performing**

- **Remaining Benefits Remaining Cost Ratio = 3-4**

- **Cost Effective Restoration of National or Regional Significant Species**

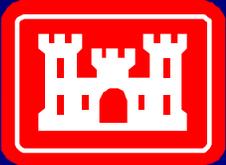


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The Making of the President's Budget Request

27 Jun 2006

- **The Process (cont)**
 - **Coordination w/ ASA(CW)**
 - Iterative discussion w/ District / Division
 - **Submittal of Army's proposed budget to OMB**
 - **OMB holds "hearings"**
 - Business Line Managers explain and defend their program
 - **"Passback" – Administration's policy and priority adjustments**



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The Making of the President's Budget Request

27 Jun 2006

- **The Process (cont)**
 - **Army Reclama to OMB**
 - **Iterative discussion w/ District/ Division**
 - **OMB preparation of President's Budget**



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Civil Works

FY 07 Budget History

(\$ Millions)

27 Jun 2006

	Pres. Budget	House
Investigations	94	128
Construction	1,555	1,891
Operations & Maint.	2,258	2,195
Regulatory	173	173
Mississippi R & Tribs.	278	291
General Expenses	164	142
Flood & Coast Emerg.	81	32
FUSRAP	130	130
Office of ASA (CW)	<u>0</u>	<u>2</u>
Total Approp.	4,733	4,984

* FY06 Conf reflects the 1% across the board DECREASE of 54.0 M that was mandated by a follow-on OMNIBUS bill after the E&W appropriation bill but none of the increases from any Emergency Supplemental Appropriations.



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The Program Cycle

27 Jun 2006

